GREAT LAKES PILOTAGE AUTHORITY

SUMMARY

OF THE CORPORATE PLAN

2012 to 2016

Approved by the Board

October 19, 2011

Includes:

Operating Budget – 2012

Capital Budget - 2012

GREAT LAKES PILOTAGE AUTHORITY

SUMMARY OF 2012 to 2016 CORPORATE PLAN

MANDATE

The objectives of the Authority are to establish, operate, maintain and administer a safe and efficient pilotage service within designated Canadian waters. The *Pilotage Act* provides that the pilotage tariffs shall be fair, reasonable and sufficient and, together with any revenue from other sources, shall permit the Authority to operate on a self-sustaining financial basis.

BACKGROUND

The Great Lakes Pilotage Authority, Ltd. was established in February 1972 pursuant to the *Pilotage Act*, incorporated as a limited company in May 1972, and was continued under the *Canada Business Corporations Act*. Until October 1st, 1998, it operated under the name of Great Lakes Pilotage Authority, Ltd. Pursuant to the *Canada Marine Act*, which received Royal Assent on June 11 1998, the name of the Authority was changed to Great Lakes Pilotage Authority and the Authority is deemed to have been established under subsection 3(1) of the *Pilotage Act*. The Authority is a Crown corporation listed in Schedule III, Part I of the *Financial Administration Act*. On October 1st, 1998, the Authority ceased to be a subsidiary of the St. Lawrence Seaway Authority and has surrendered its charter under the *Canada Business Corporations Act*.

POWERS

To carry out its responsibilities the Authority has made regulations, approved by Order-in-Council, pursuant to the *Pilotage Act* for:

1. The establishment of compulsory pilotage areas.

2. The prescription of the ships or classes of ships subject to compulsory pilotage.

3. The prescription of the classes of pilot licenses and classes of pilotage certificates that may be issued.

4. The prescription of the tariffs of pilotage charges to be paid to the Authority for pilotage services.

In addition, the Authority is empowered by the *Pilotage Act* to:

1. Employ such officers and employees, including licensed pilots, as required.

2. Contract with a body corporate for the services of licensed pilots.

3. Make by-laws respecting the management of its internal affairs.

4. Purchase, lease or otherwise acquire land, buildings, pilot boats and such other equipment and assets as may be required and to dispose of any such assets acquired.

5. Borrow money for the purpose of defraying the expenses of the Authority.

6. With the approval of the Minister of Finance, invest any money not immediately required for the purposes of the Authority in bonds or other obligations of or guaranteed by Her Majesty in right of Canada and Provincial Treasury Bonds guaranteed by the Provincial Governments.

CORPORATE OBJECTIVES

The Authority's corporate objectives are summarized as follows:

- To provide economic, safe, reliable and comprehensive marine pilotage and related services in its region of responsibility.

- To promote the effective utilization of the Authority's facilities, equipment and expertise through the productive application of these resources in such activities and geographic areas as may be appropriate in the interest of safe navigation.

- To provide the above services within a commercially-oriented framework directed toward achieving and maintaining financial self-sufficiency at the least cost to the user.

- To be responsive to the Government's environmental, social and economic policies.

DESCRIPTION OF THE OPERATIONS

The Authority operates in the interest of safety, a marine pilotage service in all Canadian waters in the Provinces of Ontario, Manitoba and in Quebec south of the northern entrance to the St. Lambert Lock.

Services are provided through the performance of pilotage assignments to those vessels entering the region which are subject to compulsory pilotage by pilots employed by the Authority, using pilot boats contracted by the Authority and dispatch services, both controlled through Pilotage Headquarters at Cornwall.

The Authority must co-ordinate its efforts and operations with a number of other organizations such as The St. Lawrence Seaway Management Corporation and the United States Seaway Development Corporation, who operate the lock facilities, and maintain traffic control systems within the Region; the Canadian Coast Guard, who provide aids to navigation and the United States Coast Guard, who are responsible for the United States pilotage matters in international waters.

The Great Lakes Pilotage region is divided as follows:

- Cornwall District
- International District No. 1
- Lake Ontario
- International District No. 2 (including the Welland Canal)
- International District No. 3 (including Lakes Huron, Michigan and Superior)
- The Port of Churchill, Manitoba

CORPORATE GOVERNANCE

The Great Lakes Pilotage Authority's approach to Corporate Governance is fully consistent with the philosophy and objectives of the Department of Finance and the Treasury Board's Guidelines for Crown Corporations.

Role of the Chair

On the recommendation of the Minister of Transport, Infrastructure and Communities, the Chair is appointed by the Governor in Council. The Chair presides at all meetings of the Board of Directors, provides leadership and guidance to the CEO of the Authority and on behalf of the Board, advises the Minister of Transport, Infrastructure and Communities on all issues involving the Authority and Pilotage in the Great Lakes.

Role of the Board of Directors

Corporate Governance at Great Lakes Pilotage Authority is the responsibility of the Board of Directors. The Board's role is to guide and supervise the affairs of the entity on behalf of the Government of Canada, by whom the Directors are appointed.

The Board is composed of the Chair and up to six other members chosen to ensure that an appropriate mix of expertise, experience and marine perspective is reflected in its decision-making. The Authority is now operating with a full complement of Directors. The specific function of the Board includes reviewing and recommending to the Minister of Transport, Infrastructure and Communities, Great Lakes Pilotage Authority's policies, corporate plan, capital and operating budgets. The Board has input in and approves the Authority's Strategic and Corporate Plans. The Board prepares annually an Accountability Accord with the CEO detailing all objectives and goals expected to be met during the operating year. At year end the Board undertakes an exhaustive performance evaluation of the CEO to determine the status of all objectives so as to assess the performance of the CEO and the Authority. It also reviews and approves all major contracts, operational plans, financial statements, the auditor's report and the annual report. The Board ensures that the Authority maintains the highest standards in operating a safe, efficient and cost effective pilotage service.

The following is the present composition of the Board:

Position	Representation	Appointment to expire
Chair	Public Interest Representative	March 4, 2013
Vice-Chair	Public Interest Representative	February 8, 2013
Member	Public Interest Representative	December 17, 2012
Member	Pilot Representative	September 11, 2012
Member	Pilot Representative	August 5, 2014
Member	Shipping Industry Representative	Expired June 17, 2011
Member	Shipping Industry Representative	May 13, 2013

Role of the Chief Executive Officer

A Chief Executive Officer is appointed by the members of the Board of Directors pursuant to section 13. (1.1) of the *Pilotage Act*. The remuneration of the CEO is fixed by an Order of the Governor General in Council. The CEO has the responsibility to plan, organize, direct and control the business of the Authority and reports to the Chair and the Board of Directors.

Role of the Audit Committee

The Audit Committee is a core committee of the Authority's Board and represents the engine of the Authority as it will improve the quality of the financial reporting, ensure the key risks are identified and managed, enable the directors to contribute their independent judgement, create a

climate of discipline and control that will reduce the opportunity for fraud and increase stakeholder confidence in the credibility and objectivity of corporate performance. The Audit Committee is composed of four members of the Board.

The committee has the authority to investigate any activity of the Authority. The committee ensures the financial oversight and the oversight of the corporate books, records, general and management control and information system and management practices.

EXECUTIVE SUMMARY

The Authority's corporate objectives are summarized as follows:

- To provide economic, safe, reliable and comprehensive marine pilotage and related services in its region of responsibility.
- To promote the effective utilization of the Authority's facilities, equipment and expertise through the productive application of these resources in such activities and geographic areas as may be appropriate in the interest of safe navigation.
- To provide the above services within a commercially-oriented framework directed toward achieving and maintaining financial self-sufficiency at the least cost to the user.
- To be responsive to the Government's environmental, social and economic policies.

These objectives are established in the *Pilotage Act* 1972 and have been embraced by the Board of Directors as recent as the last Strategic Planning meeting held in June 2011.

The Great Lakes Pilotage Authority continues to operate in a very unstable and unpredictable economic environment which has made forecasting and budgeting exercises complicated and difficult. Traffic in the Great Lakes decreased in 2008 and 2009 by over 40% from 2007 but rebounded in 2010 by increasing 36% over 2009. This increase in volume permitted the Authority to realize an operating surplus in 2010 of $2.1 million allowing the accumulated deficit to be reduced to $3.4 million.

The 2010 surplus was generated due to increases in revenues associated to a 5% average tariff increase and 36% traffic increase as well as significant cost reductions initiated in 2009 which saw operating costs reduced by 15%. These cost reductions were the result of manpower reductions and reductions in administration and operations expenditures.

The Authority has seen traffic increase in 2011 over the previous year due mainly

to an increase in imports of petroleum products to the Great Lakes region due to the shutdown and overhaul of both the Sarnia and Nanticoke refineries. Traffic increases for 2011 are forecasted to be 6% over 2010 which will allow the Authority to generate an operating surplus for 2011 of $761,000. This forecasted surplus will reduce the Authority's accumulated deficit at December 31, 2011 to $2.7 million.

The 2012-2016 Corporate Plan is formulated during a very volatile economic period which has seen economic growth stall in the world, in particular the North American economy. The Authority is also operating during a period of Government imposed cost-cutting measures in the form of a comprehensive Strategic and Operating Review (SOR) involving federally-appropriated organizations across the Federal Government. Although the Authority does not receive Federal appropriation, it has been strongly encouraged to do everything in its power to adhere to the spirit and intent of the SOR. The Authority has prepared the 2012-2016 Corporate Plan adhering to the spirit and intent of the SOR as seen in the planned reduction in the cost per assignment, which is the cost of delivery of its services to the users.

The Authority is planning a net increase in its tariff of 2% for 2012 as it continues to address the requirement to eliminate the accumulated deficit and pursues to modernize its navigation tools for the pilots' Portable Pilotage Units (PPU). The Authority is replacing all the pilots' portable units (now 6 years old) which have exceeded their useful life with state-of-the-art PPU. These new PPU's will increase efficiency and safety for all users therefore reducing operating costs over the next four years. These PPU's include robust portable computers with preloaded state-of-the-art navigation charts and programs of the Great Lakes. The Authority will increase the general tariffs by 2% to offset the cost of the PPU's. The Authority will reduce its temporary tariff surcharge from 12% to 9% and will increase general tariffs by 3% in all districts to offset the cost of living increases experienced in 2011. Shipowners will therefore see their cost of pilotage increase by 2% for 2012 which follows a net tariff decrease in 2011 of 2%.

The Authority will be renewing all of its five collective agreements in 2012 when they expire. The Authority will be following the requirement of the *Expenditure Restraint Act* and limit the increases to wages by 1.5% as well as reviewing other expenses associated to the collective agreements. The Authority will be attempting to reduce costs and increase efficiencies in other collective agreement areas to comply with the intent of SOR.

The Authority has reduced its workforce by 15% in 2009 in reaction to the traffic reduction and is planning on maintaining its current workforce at this reduced level for 2012. The Authority will determine and adjust manpower levels during the year once 2012 traffic patterns are established. The Authority's navigation season is from late March to late December.

REVENUE AND TRAFFIC

The Authority works in an environment where the factors above can affect its operation significantly. The factors on their own or in concert with each other cannot be forecasted with any accuracy and leaves the Authority waiting to see the effects once changes in the environmental factors is experienced. The industry and users have indicated that they are willing to fund Pilotage service during the periods when demand is low as they cannot afford any delays when demand increases. We have seen that in times when demand increases slightly (1%) delays can increase significantly which becomes very costly to the users. The 2012-2016 Corporate Plan is prepared in an uncertain and volatile economic environment although the economic conditions have improved in 2011 and most experts forecast a slow recovery.

The Authority forecast inflation to be at 2% per year for the planning period and interest rates to be at the same level as 2011. The impact of interest rates on the Authority's plan is in the form of interest charges on its line of credit which are included in the expense section of the income statement and interest revenue which is included in the revenue section of the income statement.

Also, the Authority has collective agreements, service contracts and leases that it must honor during the planning period as these are explained in this section.

COLLECTIVE LABOUR AGREEMENTS

The Authority has five Collective Agreements, four with Pilot Corporations and one with Public Service Alliance of Canada (P.S.A.C.) which represents the clerical staff and dispatchers employed by the Authority. The four collective agreements with the Pilot Corporations will expire March 31, 2012. The Authority plans to start negotiating with the pilots in April 2012. The pilots and the Authority have recently entered into agreement to give up their right to strike and withhold services for a period of five years up to March 31, 2017. The Authority collective agreement with the Public Service Alliance of Canada (PSAC) employees expired June 30, 2011 and is presently being renegotiated.

PILOT BOAT CONTRACTS

The Authority contracts for pilot boat services at both Port Weller and Port Colborne. These contracts are in place up to the end of the 2011 navigation season and will be renewed at the start of 2012 and the rest of the planning period.

Both of these pilot boats (including crew) are at a fixed rate per month. The cost of obtaining this service is approximately $600,000 per annum for both contracts. The Authority has budgeted cost of living increases for the planning period.

LAND TRANSPORTATION CONTRACTS

The contract for Land Transportation services to transfer pilots between St. Lambert and Beauharnois, Quebec, and Cornwall, Ontario will expire on December 31, 2011. The contract for Land Transportation services to transfer pilots between Cornwall, Ontario and Snell Lock (U.S.), St. Lambert, Quebec and Cape Vincent, New York will expire on December 31, 2011. The contract for the Land Transportation services to transport pilots to points in the area of the Welland Canal will expire on December 31, 2011.

The cost of obtaining these services will be directly related to the volume of assignments. The cost for 2012 is estimated to be $350,000.

It is difficult to forecast these cost increases over the planning period because of the upward or downward pressure on oil and gas prices and insurance costs. The Authority has budgeted cost of living increases for the planning period.

LEASES

The Authority relocated its head office to a new location in 1994. The head office facility is under a five (5) year lease, which expires in 2014. This lease has an annual cost of approximately $87,000 for 2011 and increases as per the Canadian Consumer Price Index for 2012 and subsequent years. The landlord is the St. Lawrence Seaway Management Corporation.

COMPUTER SYSTEM SUPPORT

The Authority has a software support agreement with Klein Systems Group of Vancouver, B.C. for its dispatch/billing/accounts receivable system. It also has a hosting support agreement for the Authority's web site, Net Pilot system and Authority database. The annual cost of these support agreements is $33,000 and is adjusted annually as per the cost of living. The agreements expire on June 30, 2015.

STATEMENT OF HUMAN RESOURCES

GREAT LAKES PILOTAGE AUTHORITY

CORPORATE PLAN

STATEMENT OF HUMAN RESOURCES AT YEAR END

	ACTUAL 2006	ACTUAL 2007	ACTUAL 2008	ACTUAL 2009	ACTUAL 2010	FORECAST 2011	BUDGET 2012	BUDGET 2013	BUDGET 2014	BUDGET 2015	BUDGET 2016
ADMINISTRATION											
CEO	1	1	1	1	1	1	1	1	1	1	1
ADMINISTRATIVE OFFICERS	5.0	6	6	5.5	5.5	6.0	6.0	6.0	6.0	6.0	6.0
ADMINISTRATIVE SUPPORT	3.5	3	3	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
TOTAL	9.5	10	10	9	9	9.5	9.5	9.5	9.5	9.5	9.5
OPERATION											
FULL TIME PILOTS	60	60	61	53	53	54	54	52	51	51	51
CONTRACT PILOTS (5)	3	3	3	7	7	5	4	4	2	2	2
DISPATCHERS (Full time)	8	8	8	8	8	8	8	8	8	8	8
DISPATCHERS (Part time) (5)	1	2	2	1	1	-	1	1	1	1	1
	70	70.5	71.5	65	65	64.5	64.5	62.5	60.5	60.5	60.5
TOTAL MANPOWER	79.5	80.5	81.5	74.0	74.0	74.0	74.0	72.0	70.0	70.0	70.0

FULL TIME PILOTS AT DECEMBER 31

	2011	2012
CORNWALL DISTRICT	19	19
DISTRICT NO. 1	7	7
LAKE ONTARIO	6	6
DISTRICT NO. 2	19	19
DISTRICT NO. 3	3	3
	54	54

CONTRACT PILOTS (.6) AT DECEMBER 31

CORNWALL DISTRICT	2	2
DISTRICT NO. 1	-	-
LAKE ONTARIO	-	-
DISTRICT NO. 2	3	2
DISTRICT NO. 3	-	-
CHURCHILL	-	-
	5	4
TOTAL PILOTS	56.5	56

INCOME STATEMENT

GREAT LAKES PILOTAGE AUTHORITY

CORPORATE PLAN

(000'S)

	ACTUAL 2008	ACTUAL 2009	ACTUAL 2010	FORECAST 2011	BUDGET 2012	BUDGET 2013	BUDGET 2014	BUDGET 2015	BUDGET 2016
REVENUES									
PILOTAGE	$ 15,647	$ 12,189	$ 17,076	$ 17,513	$ 17,525	$ 18,051	$ 18,693	$ 18,965	$ 19,344
TEMPORARY SURCHARGE	289	1,315	2,561	2,084	1,577	1,083	558	-	-
INVESTMENTS	29	5	1	10	8	14	27	36	42
OTHER	64	75	257	260	265	295	310	310	310
TOTAL	$ 16,029	$ 13,584	$ 19,895	$ 19,867	$ 19,375	$ 19,443	$ 19,498	$ 19,311	$ 19,696
EXPENSES									
PILOT WAGES	$ 7,956	$ 7,543	$ 7,157	$ 7,898	$ 8,036	$ 7,872	$ 7,743	$ 7,898	$ 8,055
PILOT OVERTIME	1,433	889	2,065	1,850	1,420	1,440	1,470	1,500	1,530
PILOT PRODUCTIVITY	708	56	1,301	1,580	1,175	1,195	1,220	1,245	1,270
PILOT FRINGE BENEFITS	1,955	1,891	1,851	2,050	2,090	2,045	2,015	2,055	2,095
OPERATION SALARIES	795	756	765	782	775	795	800	815	830
OPERATION FRINGE BENEFITS	192	180	205	210	200	210	215	220	225
TRAVEL EXPENSES	1,022	892	1,088	1,300	1,240	1,265	1,290	1,315	1,340
PILOT BOAT	592	607	815	925	925	935	955	980	1,000
LAND TRANSPORTATION	467	363	457	470	455	465	475	485	495
PILOT LAPTOP & NAVIGATION SOFTWARE	161	81	105	115	-	-	-	-	-
PILOT PORTABLE UNITS	-	-	-	-	350	350	350	350	350
EMPLOYEE FUTURE BENEFITS	(495)	543	384	300	300	305	310	315	320
COMMUNICATION	47	46	38	50	50	50	50	50	50
DISPATCH SERVICES	51	42	51	55	55	60	60	65	65
UTILITIES, SUPPLIES & RENT	156	180	165	140	90	90	90	90	90
TRAINING	110	-	77	85	130	130	130	130	130
TOTAL	$ 15,150	$ 14,069	$ 16,524	$ 17,810	$ 17,299	$ 17,197	$ 17,173	$ 17,613	$ 17,945
OPERATING MARGIN	$ 879	$ (485)	$ 3,371	$ 2,057	$ 2,076	$ 2,246	$ 2,316	$ 1,798	$ 1,851
ADMINISTRATION EXPENSES									
SALARIES	$ 574	$ 587	$ 591	$ 646	$ 620	$ 630	$ 645	$ 660	$ 675
FRINGE BENEFITS	154	140	159	175	170	170	175	180	185
UTILITIES AND RENT	111	76	75	80	82	86	88	90	96
DIRECTOR FEES	51	52	60	60	60	60	60	60	60
DIRECTOR TRAVEL	72	52	49	55	55	55	55	55	55
ADMINISTRATION TRAVEL	104	55	57	70	55	55	55	55	55
COMMUNICATION	12	14	15	15	15	15	15	15	15
EMPLOYEE FUTURE BENEFITS	(149)	112	90	80	82	86	88	90	95
PROFESSIONAL FEES	74	154	98	50	75	75	75	75	75
TRAINING	6	1	5	10	10	10	10	10	10
AMORTIZATION	62	70	49	39	52	59	63	65	63
BAD DEBT EXPENSE	25	22	-	-	-	-	-	-	-
INTEREST EXPENSE	20	45	78	16	8	3	-	-	-
TOTAL	$ 1,116	$ 1,380	$ 1,326	$ 1,296	$ 1,284	$ 1,302	$ 1,329	$ 1,355	$ 1,383
SURPLUS (DEFICIT) FOR THE YEAR	$ (237)	$ (1,865)	$ 2,045	$ 761	$ 792	$ 944	$ 986	$ 443	$ 468
PILOT NUMBERS	62.5	56.5	56.5	58.5	56	54	52	52	52
EFFECTIVE PILOTS	62.5	54	54	58.5	56	54	52	52	52
TARIFF ADJUSTMENTS	2.5%	4.0%	3.0%	3.0%	5%	3%	3%	2%	2%
TEMPORARY SURCHARGE	2.0%	6%-15%	15.0%	12.0%	9%	6%	3%	0%	0%
RATE OF INFLATION	2.2%	1.1%	1.9%	2.8%	1.8%	2.0%	2.0%	2.0%	2.0%
RATE OF WAGE INCREASE	2.50%	1.5% to 3%	1.5% to 3%	1.5% to 3%	1.5%	1.5%	2.0%	2.0%	2.0%
TRAFFIC INCREASE (DECREASE)	-17%	-25%	36%	6%	-5%	0%	0%	0%	0%
PILOTAGE ASSIGNMENTS	5,989	4,468	6,059	6,400	6,100	6,100	6,100	6,100	6,100
AVERAGE ASSIGNMENT LENGTH (HOURS)	8.2	8.2	8.2	8.2	8.2	8.2	8.2	8.2	8.2
ASSIGNMENTS PER PILOT	95.8	82.7	112.2	113.3	108.9	113.0	117.3	117.3	117.3
PILOTAGE COST PER SSIGNMENT	$ 2,716	$ 3,458	$ 2,946	$ 2,985	$ 3,046	$ 3,033	$ 3,033	$ 3,093	$ 3,152

BALANCE SHEET

GREAT LAKES PILOTAGE AUTHORITY

CORPORATE PLAN

(000'S)

	ACTUAL 2010	FORECAST 2011	BUDGET 2012	BUDGET 2013	BUDGET 2014	BUDGET 2015	BUDGET 2016
ASSETS							
CURRENT ASSETS							
CASH	$ 806	$ 203	$ 209	$ 172	$ 169	$ 257	$ 223
SHORT TERM INVESTMENTS	1,200	3,000	2,700	3,900	5,200	5,800	6,300
ACCOUNTS RECEIVABLE	2,563	2,715	2,580	2,580	2,680	2,655	2,736
PREPAID EXPENSES	-	-	750	500	250	-	-
	4,569	5,918	6,239	7,152	8,199	8,712	9,258
LONG TERM INVESTMENTS							
LONG TERM INVESTMENTS - REGULAR	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
FIXED ASSETS	424	464	664	664	689	714	739
LESS: ACCUMULATED DEPRECIATION	(305)	(344)	(396)	(455)	(518)	(583)	(646)
	119	120	168	209	171	131	93
TOTAL ASSETS	$ 4,688	$ 6,038	$ 6,407	$ 7,361	$ 8,370	$ 8,843	$ 9,351
LIABILITIES							
BANK INDEBTEDNESS AND BANK OVERDRAFT	$ -	$ -	$ -	$ -	$ -	$ -	$ -
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	4,780	5,060	4,655	4,675	4,700	4,725	4,750
ACCRUED EMPLOYEE FUTURE BENEFITS	3,290	3,599	3,581	3,571	3,569	3,574	3,589
TOTAL LIABILITIES	8,070	8,659	8,236	8,246	8,269	8,299	8,339
SHAREHOLDER EQUITY							
COMMON STOCK	-	-	-	-	-	-	-
CONTRIBUTED CAPITAL	82	82	82	82	82	82	82
ACCUMULATED SURPLUS (DEFICIT)	(3,464)	(2,703)	(1,911)	(967)	19	462	930
	(3,382)	(2,621)	(1,829)	(885)	101	544	1,012
TOTAL LIABILITIES AND EQUITY	$ 4,688	$ 6,038	$ 6,407	$ 7,361	$ 8,370	$ 8,843	$ 9,351

STATEMENT OF CASH FLOWS

GREAT LAKES PILOTAGE AUTHORITY

CORPORATE PLAN

(000'S)

	ACTUAL 2010	FORECAST 2011	BUDGET 2012	BUDGET 2013	BUDGET 2014	BUDGET 2015	BUDGET 2016
CASH PROVIDED BY (USED IN):							
OPERATING ACTIVITIES							
NET SURPLUS (DEFICIT) FOR THE YEAR	$ 2,045	$ 761	$ 792	$ 944	$ 986	$ 443	$ 468
ITEMS NOR REQUIRING CASH							
EMPLOYEE FUTURE BENEFITS	379	309	(18)	(10)	(2)	5	15
AMORTIZATION	49	39	52	59	63	65	63
UNREALIZED GAINS ON INVESTMENTS							
AMORTIZATION OF DISCOUNT ON INVESTMENTS	-	-	-	-	-	-	-
GAIN ON DISPOSAL OF PROPERTY AND EQUIPMENT	-	-	-	-	-	-	-
NET CHANGE IN NON CASH WORKING CAPITAL	420	128	(1,020)	270	275	200	(55)
	$ 2,893	$ 1,237	$ (194)	$ 1,263	$ 1,322	$ 713	$ 491
INVESTING ACTIVITIES							
PURCHASE OF INVESTMENTS	(1,200)	(3,000)	(2,700)	(3,900)	(5,200)	(5,800)	(6,300)
DISPOSAL OF INVESTMENTS	-	1,200	3,000	2,700	3,900	5,200	5,800
PROCEEDS FROM DISPOSAL OF PROPERTY AND EQUIPMENT	-	-	-	-	-	-	-
ACQUISITION OF CAPITAL ASSETS	(13)	(40)	(100)	(100)	(25)	(25)	(25)
	$ (1,213)	$ (1,840)	$ 200	$ (1,300)	$ (1,325)	$ (625)	$ (525)
INCREASE (DECREASE) IN CASH	1,680	(603)	6	(37)	(3)	88	(34)
CASH, BEGINNING OF YEAR	(874)	806	203	209	172	169	257
CASH, END OF YEAR	$ 806	$ 203	$ 209	$ 172	$ 169	$ 257	$ 223

CAPITAL BUDGET

GREAT LAKES PILOTAGE AUTHORITY

CORPORATE PLAN

(000'S)

	ACTUAL 2010	FORECAST 2011	BUDGET 2012	BUDGET 2013	BUDGET 2014	BUDGET 2015	BUDGET 2016
BUILDINGS	$ -	$ -	$ -		$ -	$ -	$ -
FURNITURES & FIXTURES	-	-	-	-	-	-	-
COMPUTER HARDWARE & SOFTWARE	13	40	100	100	25	25	25
	$ 13	$ 40	$ 100	$ 100	$ 25	$ 25	$ 25

In 2012 and 2013, the Authority plans to spend $75,000 each year on upgrades to its present dispatch/billing/accounts receivable computer system. During the planning period, the Authority plans to spend a total $25,000 per year on upgrades to the database used for training of Authority pilots at the pilot simulator in Quebec City and/or office hardware and software.